From: <u>Kanniganti, Radhica</u>

 To:
 Deroeck, Dan; Carrillo, Andrea; Nizich, Greg; Rineheart, Rachel

 Cc:
 Stahle, Susan; Okoye, Winifred; Doster, Brian; Orlin, David; Igoe, Sheila

 Subject:
 RE: Kohler Power Systems - Nonroad Engine Applicability Determination

Date: Tuesday, June 06, 2017 12:53:03 PM

Ail,

Inserting a mail received from Melanie King on Engine Certification – apologize, I thought it was sent to everybody. Thought I would add this to the mix!

Thanks for bringing it to my attention, Greg.

Radhica

From: King, Melanie

Sent: Tuesday, June 6, 2017 8:40 AM

To: Hancy, Cindy < Hancy.Cindy@epa.gov>; Nizich, Greg < Nizich.Greg@epa.gov>; Kanniganti, Radhica < kanniganti.radhica@epa.gov>

Subject: FW: Cummins RICE NESHAP Applicability Determination

Hi.

See below, I'm wondering if this is similar to the Kohler facility. In the case below, we determined that the engines should be considered stationary engines.

Melanie King

Energy Strategies Group

Sector Policies and Programs Division

Office of Air Quality Planning and Standards

(919) 541-2469

king.melanie@epa.gov

---- Forwarded by Melanie King/RTP/USEPA/US on 06/06/2017 09:34 AM -----

From: Erik Hardin/R5/USEPA/US To: xue.feng@cummins.com,

Cc: "Walkush, Andrea (MPCA)" andrea.walkush@state.mn.us, "Hedman, Jeffrey (MPCA)" jeffrey.hedman@state.mn.us

Date: 06/26/2012 01:55 PM

Subject: Re: Fw: Cummins RICE NESHAP Applicability Determination

Xue:

I had a conference call today with some headquarters folks, and we think we may have found a path forward that will help you. Unfortunately, this is going to require that I pass you off to EPA's Office of Transportation and Air Quality (i.e. the office that issues certificates of conformity).

For uncertified engines that you operate/test that are required by the NSPS to be certified, you may be able to meet either the testing and/or export only exemptions under 40 CFR Part 1068. These exemptions are marked as applicable to NSPS Subpart IIII at 60.4200(d) and Subpart JJJJ at 60.4231(e). However, those exemptions require prior approval by EPA (again, our OTAQ). The folks I was meeting with today and I don't really know for sure that OTAQ will consider any of these exemptions as applicable but only they can make that call.

So, please inquire with OTAQ on this. I assume you have a good contact there since Cummins certifies quite a large number of engines through them. If that is a totally different part of Cummins with which you

have little contact, you could start with Justin Greuel. (greuel.justin@epa.gov)

For engines that are not required to be certified and are not certified, we do not believe the exemptions would apply. However, if the rules require that these engines be tested, we think you are mostly covered since you never keep the engines long enough for the testing deadline to come into effect. That remains a bit of a tricky issue though since the emission standard technically still applies from the first day you begin operating them. I'm not sure how many of these types of engines you are dealing with though.

I believe you are more or less covered with regard to certified engines. Though technically you may be required to submit notifications of some sort for each of these engines, the recordkeeping we discussed should cover that. And, if PCA wants to create a periodic reporting requirement with all of the requisite information, that should help as well.

I hope this is helpful. Please let me know if you run into any problems inquiring about exemption possibilities with our OTAQ.

-Erik

D. Erik Hardin, Environmental Scientist Air Enforcement and Compliance Assurance Section (MN/OH) U.S. EPA, Region 5 (312) 886-2402 ofc (312) 692-2130 fax

From: Deroeck, Dan

Sent: Tuesday, June 6, 2017 12:45 PM

To: Kanniganti, Radhica <kanniganti.radhica@epa.gov>; Carrillo, Andrea <Carrillo.Andrea@epa.gov>; Nizich, Greg <Nizich.Greg@epa.gov>; Rineheart, Rachel <Rineheart.Rachel@epa.gov>

Cc: Stahle, Susan <Stahle.Susan@epa.gov>; Okoye, Winifred <Okoye.Winifred@epa.gov>; Doster, Brian <Doster.Brian@epa.gov>; Orlin, David <Orlin.David@epa.gov>; Igoe, Sheila <Igoe.Sheila@epa.gov>

Subject: RE: Kohler Power Systems - Nonroad Engine Applicability Determination Doesn't the problem remain, however, that the end use of the generators (stationary or transportable) may depend on who purchases it and how they choose to use it? Dan deRoeck | New Source Review Group | AQPD

Mail Code C504-03 | Office of Air Quality Planning & Standards

U.S. EPA | Research Triangle Park, NC 27711 Desk: 919-541-5593 | Fax 919-685-3009

From: Kanniganti, Radhica

Sent: Tuesday, June 06, 2017 1:34 PM

To: Carrillo, Andrea <<u>Carrillo.Andrea@epa.gov</u>>; Nizich, Greg <<u>Nizich.Greg@epa.gov</u>>; Rineheart, Rachel <<u>Rineheart.Rachel@epa.gov</u>>

Cc: Deroeck, Dan <<u>Deroeck.Dan@epa.gov</u>>; Stahle, Susan <<u>Stahle.Susan@epa.gov</u>>; Okoye, Winifred <<u>Okoye.Winifred@epa.gov</u>>; Doster, Brian <<u>Doster.Brian@epa.gov</u>>; Orlin, David <<u>Orlin.David@epa.gov</u>>; Igoe, Sheila <<u>Igoe.Sheila@epa.gov</u>>

Subject: RE: Kohler Power Systems - Nonroad Engine Applicability Determination
Andrea, most of their engines come from their own Kohler manufacturing facility located elsewhere.
There are some engines that come from other manufacturers such as Cummins.
Another key point we learned was that not all engines are certified. Apparently generators that are

sold outside of the US do not need 'certified' engines.

I am not clear on what is the distinction between being certified for nonroad vs being certified for stationary.

From: Carrillo, Andrea

Sent: Tuesday, June 6, 2017 12:24 PM

To: Nizich, Greg < Nizich.Greg@epa.gov >; Kanniganti, Radhica < kanniganti.radhica@epa.gov >; Rineheart, Rachel < Rineheart.Rachel@epa.gov >

Cc: Deroeck, Dan <<u>Deroeck.Dan@epa.gov</u>>; Stahle, Susan <<u>Stahle.Susan@epa.gov</u>>; Okoye, Winifred <<u>Okoye.Winifred@epa.gov</u>>; Doster, Brian <<u>Doster.Brian@epa.gov</u>>; Orlin, David <<u>Orlin.David@epa.gov</u>>; Igoe, Sheila <<u>Igoe.Sheila@epa.gov</u>>

Subject: RE: Kohler Power Systems - Nonroad Engine Applicability Determination

Thanks, Greg. Thinking along the same lines, Sue and I just talked with Sheila Igoe about RICE, and Melanie was able to join that discussion.

The biggest factual question that was raised was whether the engines were certified as stationary, or whether they were dual certified. Do we know what company manufactures the engines installed in the generators at this facility?

Thanks,

Andrea Carrillo

Attorney-Advisor

Office of General Counsel

U.S. Environmental Protection Agency

(202) 564-3392 (office) | (202) 603-4003 (telework/cell) | WJCN 7426PP

From: Nizich, Greg

Sent: Tuesday, June 06, 2017 12:15 PM

To: Carrillo, Andrea < <u>Carrillo.Andrea@epa.gov</u>>; Kanniganti, Radhica < <u>kanniganti.radhica@epa.gov</u>>; Rineheart, Rachel < <u>Rineheart.Rachel@epa.gov</u>>

Cc: Deroeck, Dan <<u>Deroeck.Dan@epa.gov</u>>; Stahle, Susan <<u>Stahle.Susan@epa.gov</u>>; Okoye, Winifred <<u>Okoye.Winifred@epa.gov</u>>; Doster, Brian <<u>Doster.Brian@epa.gov</u>>; Orlin, David <<u>Orlin.David@epa.gov</u>>

Subject: RE: Kohler Power Systems - Nonroad Engine Applicability Determination Hi Andrea,

That sounds good. Also I spoke with Melanie King, the stationary source engines person at OAQPS about this issue. Her understanding was that the Kohler case was primary whether the engines were considered nonroad engines or not. She did not think whether the units are moved around during manufacturing, testing or transport prior to final use had any bearing on claiming whether they are nonroad engines.

She thought a conversation with OTAQ might be useful to verify we agree on that understanding.

Thanks, Greg.

From: Carrillo, Andrea

Sent: Tuesday, June 06, 2017 11:15 AM

To: Nizich, Greg < Nizich.Greg@epa.gov >; Kanniganti, Radhica < kanniganti.radhica@epa.gov >; Rineheart, Rachel < Rineheart.Rachel@epa.gov >

Cc: Deroeck, Dan <<u>Deroeck.Dan@epa.gov</u>>; Stahle, Susan <<u>Stahle.Susan@epa.gov</u>>; Okoye, Winifred <<u>Okoye.Winifred@epa.gov</u>>; Doster, Brian <<u>Doster.Brian@epa.gov</u>>; Orlin, David <<u>Orlin.David@epa.gov</u>>

Subject: RE: Kohler Power Systems - Nonroad Engine Applicability Determination

Sue, Winnie, David, and I had a chance to discuss these issues today and think it would be helpful to have a group call to talk through applicability of the various programs that have been brought up in these email threads. We are still running down a couple odds and ends on the legal side, so perhaps next week would be good?

Thanks,

Andrea Carrillo

Attorney-Advisor

Office of General Counsel

U.S. Environmental Protection Agency

(202) 564-3392 (office) | (202) 603-4003 (telework/cell) | WJCN 7426PP

From: Nizich, Greg

Sent: Monday, June 05, 2017 1:27 PM

To: Carrillo, Andrea <<u>Carrillo.Andrea@epa.gov</u>>; Kanniganti, Radhica <<u>kanniganti.radhica@epa.gov</u>>; Rineheart, Rachel <<u>Rineheart.Rachel@epa.gov</u>>

Cc: Deroeck, Dan < <u>Deroeck.Dan@epa.gov</u>>; Stahle, Susan < <u>Stahle.Susan@epa.gov</u>>; Okoye, Winifred < <u>Okoye.Winifred@epa.gov</u>>

Subject: RE: Kohler Power Systems - Nonroad Engine Applicability Determination

Attaching a prior determination (Region 5) for testing vehicles on a chassis dynamometer. Determined to be stationary source emissions since vehicles being tested had not yet been introduced into commerce.

Thanks, Greg.

From: Carrillo, Andrea

Sent: Monday, June 05, 2017 11:59 AM

To: Kanniganti, Radhica < <u>kanniganti.radhica@epa.gov</u>>; Rineheart, Rachel

< Rineheart. Rachel@epa.gov>

Cc: Nizich, Greg < Nizich.Greg@epa.gov >; Deroeck, Dan < Deroeck.Dan@epa.gov >; Stahle, Susan < Stahle.Susan@epa.gov >; Okoye, Winifred < Okoye.Winifred@epa.gov >

Subject: FW: Kohler Power Systems - Nonroad Engine Applicability Determination

Please see below for further information requested by Sue Stahle to assist in understanding what nonroad regulations may apply.

Region 5, would you be okay with having another call with the company to get this further information?

Thanks,

Andrea Carrillo

Attorney-Advisor

Office of General Counsel

U.S. Environmental Protection Agency

(202) 564-3392 (office) | (202) 603-4003 (telework/cell) | WJCN 7426PP

From: Stahle, Susan

Sent: Monday, June 05, 2017 11:50 AM

To: Carrillo, Andrea < <u>Carrillo.Andrea@epa.gov</u>> **Cc:** Okoye, Winifred < <u>Okoye.Winifred@epa.gov</u>>

Subject: RE: Kohler Power Systems - Nonroad Engine Applicability Determination

Hi-

As we just discussed, it would help to know exactly which of Kohler's generators are at issue here. I ask as different generators may be subject to different mobile source regulations, so I would like to know exactly which generators Kohler is asking about so we can identify which of our regulations apply.

If you look at Kohler's website, you will see it makes a whole lot of generators. Click here, http://kohlerpower.com/group.htm, then hover over the "Generators" tab at the top. You will see several categories, and different geographic locations. If, for example, you click on "industrial" and "North America," and then hover over "Products," you will see another three categories regarding generators. Different rules may apply to these different categories. Specifically, it would help if Region 5 could ask Kohler to provide more detailed information regarding which of its generators it is manufacturing in its Mosel, WI facility. Providing specific model names, product descriptions/specs and pictures of those generators would be very helpful for us. It would also help to know where these generators will be sold – all in the U.S.? Any being exported? Additionally, any information about the buyers of these generators may also help sort out whether these generators will be subject to the RICE rules. For example, the generator may become "stationary" if purchased by a hospital for back-up power instead of "mobile" if purchased by a consumer whose intended use is to use it at various camp sites.

Does that help you understand the kind of detailed information we need?

Susan Stahle

Attorney-Advisor

Air and Radiation Law Office

Office of General Counsel

U.S. Environmental Protection Agency

202-564-1272 (ph)

202-564-5603 (fax)

stahle.susan@epa.gov

From: Carrillo, Andrea

Sent: Friday, June 02, 2017 7:45 AM

To: Orlin, David <<u>Orlin.David@epa.gov</u>>; Stahle, Susan <<u>Stahle.Susan@epa.gov</u>>; Okoye, Winifred <<u>Okoye.Winifred@epa.gov</u>>

Cc: Doster, Brian < <u>Doster.Brian@epa.gov</u>>

Subject: FW: Kohler Power Systems - Nonroad Engine Applicability Determination

Further factual information from the region.

Andrea Carrillo

Attorney-Advisor

Office of General Counsel

U.S. Environmental Protection Agency

(202) 564-3392 (office) (202) 603-4003 (telework/cell) | WJCN 7426PP

From: Kanniganti, Radhica

Sent: Thursday, June 01, 2017 5:30 PM

To: Nizich, Greg < <u>Nizich.Greg@epa.gov</u>>; Deroeck, Dan < <u>Deroeck.Dan@epa.gov</u>>; Carrillo, Andrea < <u>Carrillo.Andrea@epa.gov</u>>

Cc: Rineheart, Rachel < Rineheart.Rachel@epa.gov >

Subject: RE: Kohler Power Systems - Nonroad Engine Applicability Determination

Greg, Dan and Andrea:

Rachel and I just had a call with Kohler Power Systems. Here are a quick summary of the discussion:

- 1. The engines are assembled into the generator sets and sent to test cells for testing the generators. They are used on skids to enable transportation.
- 2. These engines (which are purchased from outside) are **NOT all 'certified'**. Most engines are certified engines, but they do receive engines that are **NOT** certified to cater to their non-US customers
- 3. These engines can run on diesel, natural gas, propane or gasoline, in that order. Most of them are diesel engines, followed closely by natural gas. Their latest FESOP has these quantities: "Maximum fuel usage per test stand: Diesel: 3.6 gallons per hour; Natural Gas: 637 cubic feet per hour; Propane Gas: 241 cubic feet per hour"
- 4. The size of these generator sets can range from 50 kwh to 3250 kwh. They are housed on skids for easy transportability.
- 5. These generators are designed to be used as either portable or stationary generator sets Just for your information, they have another facility in Wisconsin that has engine test cells. This facility is major for CO and is also subject to the MACT Subpart PPPPP for Engine Test Cells. Hope this information is helpful. Please let me know if you need more information/clarification. Look forward to hearing from you.

Thank you.

Radhica

From: Nizich, Greg

Sent: Thursday, June 1, 2017 10:26 AM

To: Kanniganti, Radhica < kanniganti, Radhica < kanniganti, Radhica < kanniganti.radhica@epa.gov); Deroeck, Dan < Deroeck.Dan@epa.gov);

Carrillo, Andrea < <u>Carrillo.Andrea@epa.gov</u>>

Cc: Rineheart, Rachel < <u>Rineheart.Rachel@epa.gov</u>>

Subject: RE: Kohler Power Systems - Nonroad Engine Applicability Determination

Thanks Radhica.

Has Kohler already approached the state of Wisconsin on this matter? If so, curious what their take is.

Greg.

From: Kanniganti, Radhica

Sent: Thursday, June 01, 2017 11:20 AM

To: Deroeck, Dan < <u>Deroeck.Dan@epa.gov</u>>; Nizich, Greg < <u>Nizich.Greg@epa.gov</u>>; Carrillo, Andrea < Carrillo.Andrea@epa.gov>

Cc: Rineheart, Rachel < Rineheart.Rachel@epa.gov >

Subject: FW: Kohler Power Systems - Nonroad Engine Applicability Determination Thank you for being on the call yesterday. As discussed, I am forwarding the applicability

determination request as sent by the facility.

Thanks

Radhica

Radhica Kanniganti

Environmental Engineer

U.S. Environmental Protection Agency

Region 5 | Air & Radiation Division

Phone: (312) 886-8097 | Fax: (312) 692-2920

From: Morgan, Andrea

Sent: Wednesday, May 10, 2017 3:48 PM

To: Kanniganti, Radhica < <u>kanniganti.radhica@epa.gov</u>>

Subject: FW: Kohler Power Systems - Nonroad Engine Applicability Determination

From: Eckert Eric [mailto:Eric.Eckert@kohler.com]

Sent: Friday, May 05, 2017 11:05 AM

To: Morgan, Andrea < Morgan. Andrea@epa.gov >

Cc: Eckert Eric < Eric.Eckert@kohler.com>

Subject: Kohler Power Systems - Nonroad Engine Applicability Determination

Andrea,

Please find attached a nonroad engine applicability determination request that I am mailing to the US EPA Region 5. I had initially sent an exemption request into the WDNR but the construction permit engineer (Jonathon Wright) thought that the determination should be sent to the EPA. Jonathon Wright asked that I send you a copy so you can track the progress of the request.

Eric Eckert

EHS Specialist

Kohler Co.

444 Highland Dr.

Mail Stop 009

Kohler, WI 53044

p. (920) 457-4441, x74008

f. (920) 459-1682

eric.eckert@kohler.com